

Rules on Establishment and Operation of the Discipline Committee

March 28, 2012

Resolution of the Board of Directors
〔Partially amended on March 26, 2014〕

(Establishment of the Discipline Committee)

Article 1 Pursuant to Article 37, paragraph (1) of the Articles of Incorporation, the Discipline Committee (hereinafter referred to as the “Committee”) is established at the Association as an advisory organ to the Chairman.

(Matters to be Deliberated by the Committee)

Article 2 The Committee deliberates on the following matters:

- (i) whether or not an investigation needs to be conducted on cases of violation or suspected violation of standards for self-regulation, and measures to be taken base on the results of the investigation such as giving guidance for improvement;
- (ii) whether or not an investigation needs to be conducted on cases that falls or is suspected to fall under one of the items of Article 14, paragraph (1) of the Articles of Incorporation, and measures to be taken based on the results of the investigation such as giving guidance for improvement;
- (iii) matters submitted pursuant to the provisions of Article 11, paragraph (3) and Article 12 of the Rules on Entrustment of Operations for Resolution of Complaints and Disputes (Resolution of the Board of Directors on March 28, 2012);
- (iv) establishment of application criteria and provisions of procedures relating to Article 14 of the Articles of Incorporation, and establishment of rules on handling of complaints relating to the preceding item; and
- (v) other matters that the Chairman submits upon finding it to be necessary.

(Appointment of Committee Members)

Article 3 (1) The Chairman appoints Committee members with consent of the Board of Directors.
(2) The terms of office of Committee members are two years; provided, however, that this does not preclude reappointment.
(3) In addition to Committee members above, the Chairman may designate expert advisors from officers and employees of the Association.

(Chairperson and Deputy Chairperson)

Article 4 (1) The Chairman appoints the chairperson and the deputy chairperson from among Committee members.
(2) The chairperson chairs the Committee and presides over its meetings.
(3) The deputy chairperson assists the chairperson and, if the chairperson is unable to act or the position of chairperson is vacant, represents or acts in place of the chairperson.

(Holding of Committee Meetings)

Article 5 (1) The chairperson calls Committee meetings.

(2) No Committee meeting may be held without attendance of at least two-thirds of its members.

(3) If the chairperson finds it to be necessary, a resolution of the Committee may be adopted by requesting opinions of Committee members in writing without calling a Committee meeting.

(Votes)

Article 6 (1) Each Committee member has one vote.

(2) Decisions at a Committee meeting is made by at least a two-thirds majority of the votes of Committee members present at the meeting.

(Request for Documents)

Article 7 (1) The Committee may, if it finds it necessary, request the Chairman the submission of documents or provision of an oral or written explanation by a member of the Association.

(2) The Committee may, if it finds it necessary, request a person of reference to attend its meeting.

(Attendance by Chairman and Directors)

Article 8 The Chairman and Directors engaged in regular business operations of the Association may attend Committee meetings and state their opinions, if necessary.

(Reporting Deliberation Results)

Article 9 The chairperson must report the deliberation results of the Committee to the Chairman without delay.

(Minutes)

Article 10 The Committee prepares minutes that record the proceedings and results of deliberation.

(Confidentiality)

Article 11 Committee members must not divulge any secret that has come to their knowledge in the course of their duties. The same applies after they have left from their position.

(Detailed Rules)

Article 12 The Committee may establish detailed rules necessary for its operation, in addition to what is provided for in these Rules.

These Rules come into effect as of the registration date of incorporation of the general incorporated association (July 2, 2012) provided in Article 106, paragraph (1) of the Act on Arrangement of Relevant Acts Incidental to Enforcement of the Act on General Incorporated Associations and General Incorporated Foundations and the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations, as applied mutatis mutandis pursuant to Article 121, paragraph (1) of that Act following the deemed replacement of terms.

Supplementary Provisions (March 26, 2014)

This amendment comes into effect as of May 1, 2014.

(Note) Amendment made is as follows:

1. Article 4 is amended.